



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

November 2, 2007

H.R. 513

National Heroes Credit Protection Act

*As provided by the House Committee on Veterans' Affairs,
Subcommittee on Economic Opportunity, on November 1, 2007*

H.R. 513 would amend the Servicemembers Civil Relief Act (50 U.S.C. App. 501 et seq.) to require credit reporting agencies, upon request, to include a notation in a consumer report or credit score for reserve members of the U.S. Armed Forces when the results have been adversely affected during a deployment in support of a contingency operation. The bill would also require consumer reporting agencies to refer the explanation to other consumer reporting agencies and to notify the servicemember in writing of the inclusion of the explanation in the servicemember's file. H.R. 513 also would require potential creditors to consider such a deployment notation when evaluating negative credit information. CBO estimates that enacting H.R. 513 would have no significant effect on the federal budget. Enacting the bill would not affect direct spending or revenues.

The requirements imposed on credit reporting agencies would be private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). CBO expects the costs of the mandates would be minimal and unlikely to exceed the threshold for private-sector mandates established in UMRA (\$131 million in 2007, adjusted annually for inflation). H.R. 513 contains no intergovernmental mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

The CBO staff contacts for this estimate are Dawn Regan (for federal costs) and Victoria Liu (for the private-sector impact). This estimate was approved by Peter H. Fontaine, Assistant Director for Budget Analysis.